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# Program Memorandum Carriers

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Department of Health and  
Human Services (DHHS)  
Centers for Medicare & Medicaid  
Services (CMS)

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Transmittal B-01-54

Date: AUGUST 27, 2001

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## CHANGE REQUEST 1777

**SUBJECT: Implementation of New Fee Schedule for Parenteral and Enteral Nutrition Items and Services**

The Secretary is authorized by §4315 of the Balanced Budget Act of 1997 to implement a fee schedule for parenteral and enteral nutrition (PEN) items and services. A final rule establishing a fee schedule for PEN items and services will be published in the **Federal Register** in August 2001. These items and services were previously paid on a reasonable charge basis. The durable medical equipment regional carriers (DMERCs) must make the necessary changes in their systems to allow for payment based on the new PEN fee schedule. The new fee schedule amounts are effective for claims with dates of service on or after January 1, 2002. A fee schedule test file will be available to the DMERCs by August 22, 2001. The actual fee schedule file containing the 2002 fee schedule amounts to be implemented on January 1, 2002, will be available to the DMERCs by November 1, 2001. The file names are:

August Test File - MU00.@BF12393.PEN.CY02.TST0822

November Fee Schedule File - MU00.@BF12393.PEN.CY02.V1101

To minimize shared systems changes, the file layout for the PEN fee schedule is consistent with that of the Durable Medical Equipment Prosthetics, Orthotics & Supplies (DMEPOS) fee schedule. It should be noted that the file layout is similar to the DMEPOS format, except that the "Region," "Ceiling," and "Floor" fields are not applicable and will be zero filled. The file layout is attached for your information.

Although §4315 of the Balanced Budget Act of 1997 authorized fee schedules for other items and services in addition to PEN items and services, fee schedules for these other items and services will not be implemented at this time.

**The effective date for this PM is January 1, 2002.**

**The implementation date for this PM is January 1, 2002.**

**Any questions regarding these instructions should be directed to Joel Kaiser on (410) 786-4499.**

**These instructions should be implemented within your current operating budget.**

**This PM may be discarded October 1, 2002.**

Attachment

**CMS-Pub. 60B**

## RECORD LAYOUT FOR 2002 PEN FEE SCHEDULE

FIELD NAME	PIC	POSITION	COMMENT
YEAR	X(4)	1-4	Applicable Update Year
HCPCS CODE	X(5)	5-9	All current year active and deleted codes
1ST MODIFIER	XX	10-11	
2ND MODIFIER	XX	12-13	
JURISDICTION	X	14	D--DMERC jurisdiction
CATEGORY	XX	15-16	PE—Parenteral and Enteral Nutrition
HCPCS ACTION	X	17	Indicates active/delete status in HCPCS file A--Active Code D--Deleted Code, price provided for grace period processing only
FILLER	XX	18-19	Value "00".
STATE	XX	20-21	
ORIGINAL BASE FEE	9(5)V99	22-28	This amount is not used for pricing claims. It is on file for informational purposes.
FILLER	9(5)V99	29-35	This field is zero filled.
FILLER	9(5)V99	36-42	This field is zero filled.
UPDATED FEE	9(5)V99	43-49	Amount used for pricing
SCHEDULE AMOUNT GAP-FILL INDICATOR	X	50	0--No Gap-filling Required. 1--Carrier Needs to Gap-fill Original Base Year Amount.
PRICING CHANGE INDICATOR	X	51	0--No change to the updated fee schedule amount since previous release. 1--A change has occurred to the updated fee schedule amount since the previous release.
FILLER	X(9)	52-60	